

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Stephen M. Ross School of Business
Facilities Enhancement Project

Action Requested: Approval of Project and Authorization to Appoint an Architect

Background:

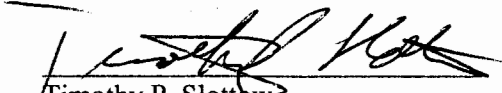
The Stephen M. Ross School of Business is one of the top business schools in the country, and enjoys both a national and international reputation for academic strength and high quality educational programs. The recent \$100 million gift from Stephen M. Ross is evidence of the school's present stature. Competition for faculty and students is intense, however, and one dimension where the school consistently falls short of its peers is the functionality and appearance of its facilities. Classrooms and group meeting space are inadequate for the school's educational aspirations. Further, the facilities do not foster the formation of community among its faculty and students, or reflect the desired image and identity. The school is at a critical point where it needs both new spaces to provide for growth in enrollment, and to redesign and reconfigure learning spaces to accommodate the school's team-based approach to action learning and provide for additional program initiatives.

The School has worked with various stakeholders over the last year to complete a comprehensive strategic facilities plan that identifies current and future space needs in consideration of the School's culture and as a means for increasing its competitive position with peer institutions. The scope of the project includes both new construction and demolition of existing structures in order to utilize the space in the Business School block most efficiently. The site identified is on the Tappan Street side of the current Stephen M. Ross School of Business location (see attached map).

The estimated cost of the project is \$145 million. The Stephen M. Ross gift commits \$75 million to support this project, and fundraising for an additional \$40 million is underway. Additional funding will be provided from the Stephen M. Ross School of Business resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. We propose to complete schematic design in 2005 and will provide further details, including a construction schedule, when the project becomes more defined.

We recommend the Regents approve the Stephen M. Ross School of Business Facilities Enhancement project as described and authorize commissioning Kohn Pedersen Fox Associates for its design.

Respectfully submitted,


Timothy P. Slotow
Executive Vice President and
Chief Financial Officer

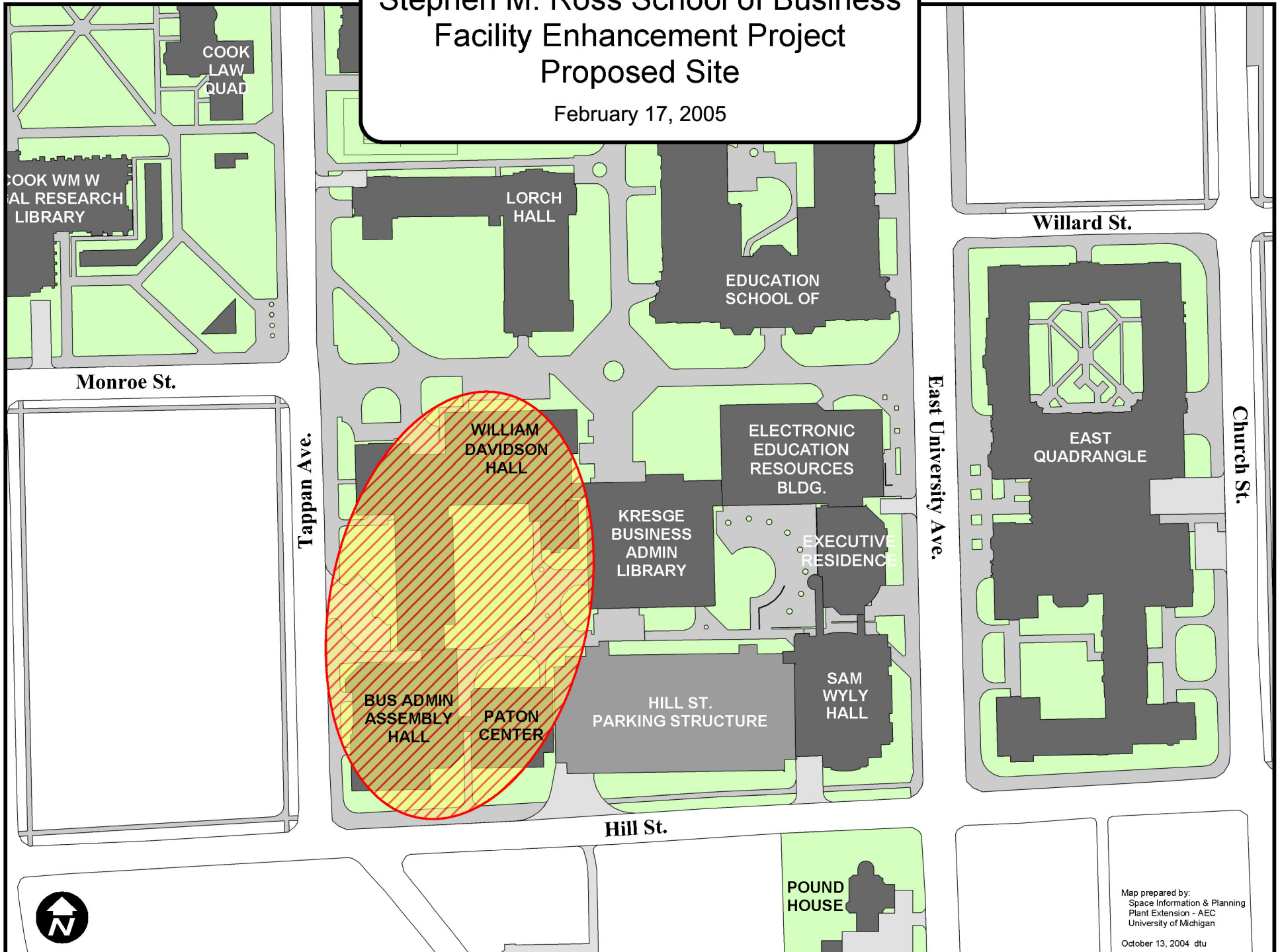
February 2005
Attachment

APPROVED BY THE REGENTS ON

FEB 17 2005

Stephen M. Ross School of Business Facility Enhancement Project Proposed Site

February 17, 2005



Map prepared by:
Space Information & Planning
Plant Extension - AEC
University of Michigan
October 13, 2004 dtu